



Creating Companies



## Communicating Your Message for Growth and Success

The Three Rivers Entrepreneur Network



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To Build Communities



## Pacific Northwest National Laboratory

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## Comments and Common Mistakes

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### **Comments:**

- “We need help marketing to grow our business.”
- “I have no idea what the size of our market is or what 1% equals.”
- “I don’t know how we sell it’s all referral business.”

### **Mistakes:**

- Empty files
- Focusing on the wrong numbers – there’s only 1 number that matters
- Lack of vision



## Communication – Quality of information transfer



- Conversation: Talking + Listening = Response
- Sales is a conversation to Solve a Problem

Information transfer + Listening = Response

Outcomes = (a) Buy or (b) No Buy

### Information transfer:

Direct Sales  
Publications

Distributors  
Direct marketing

Referral  
Web



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## Importance of Information Transfer

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- How your clients acquire information and the quality of that information determines SALES and GROWTH
- How you listen to your customers and act on that information determines long-term success

**This combination creates VALUE!**

## Insights and Observations

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- Everyone wants to build a product / service THEN figure out how to Sell
- If you don't know how to sell WHY build it?
- Clue: there will always be someone who can build it better and less costly
- Answer: If you can acquire a customer more efficiently and retain that customer you have the **ultimate competitive advantage**

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Vision Creation – How well you communicate your vision internally and externally determines success



## Dynamic Market Model – things you can do

Measure the things that matter

### Direct

Customer feed back loop: listening  
surveys, focus groups, interviews, change in sales profile

### Internal

Customer acquisition cost:  
simple model = Total cost / new clients

### External

Sizing the market: **T**otal **A**vailable **M**arket  
determine where you want to do business and monitor change

### Observe

Image and Key Messages:  
effectiveness of collateral

## Building the Market Model

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### Client Profile - Audience

- Detailed description of audience(s)
- How they communicate / respond
- Purchasing tendencies and buying power

**Objective: targeting and niche development**

### TAM - Total Available Market

- Determine desired market
- Identify initial entry point = Niche
- Develop expansion strategy – 1% penetration

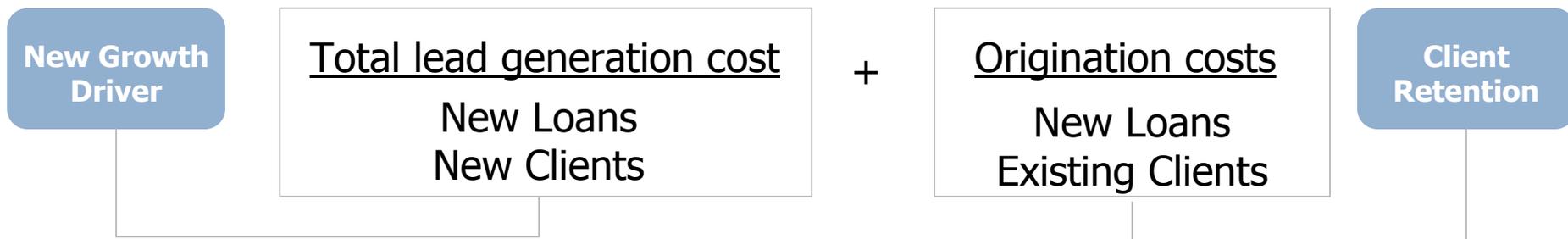
**Objective: define accessible market**

## Building the Market Model - continued

### Customer Acquisition Cost

- Identify key costs associated with (i) new clients / (ii) existing client up sales
- Establish reporting metric to support model
- Incentivize employees to control inputs

### Example: Education Credit Company



Total command of Business – Internal Cost & Effectiveness of External Communication

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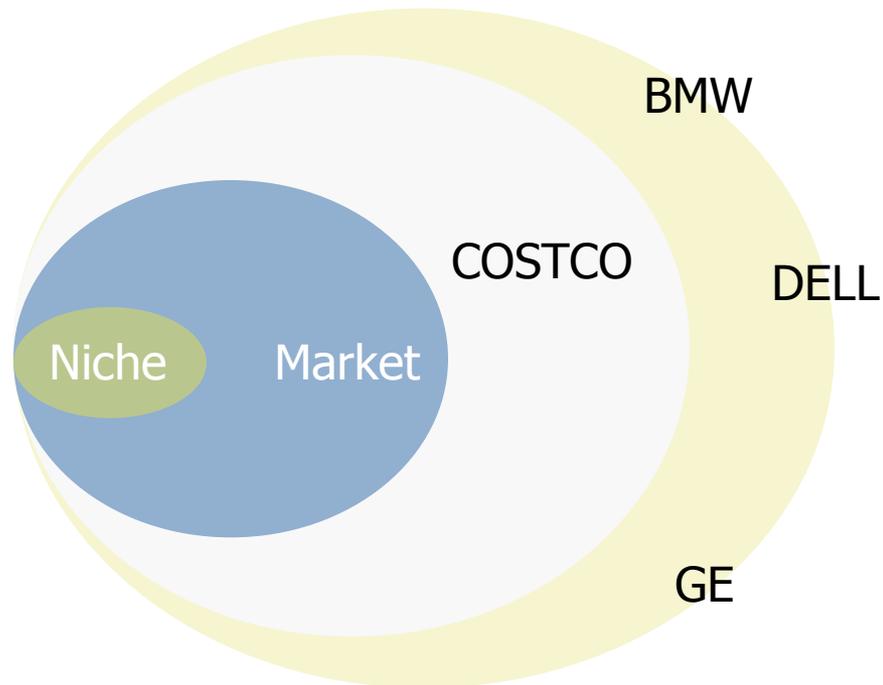


## Outward - In Research Technique

Understand why you gravitate to imagery, messaging or design

### IDEA:

Start at furthest point from market entry and work inward to define market niche



## Communication Tool Kit

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- Client testimonials - #1 influencer of buying decision
- White papers / Case studies
- Marketing plan
- Competitor analysis
- Press releases and Media list
- Product presentation
- Website
- Sales collateral
- **Company presentation – helps define vision**

## Case Study – NEC

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Multi-National

Industry: Electronics Manufacturer

Client: Global consumers of electronics equipment



**Situation:** Early 1990's the US Telecom industry shifted from Asynchronous to Synchronized optical networks

**Outcome:** NEC failed to communicate customer feedback in product development process

**Result:** \$1.5 billion lost sales and exit from US telecom market

## Case Study – Education Funding Services

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Start up portfolio company

Industry: Financial Services

Client: Students, Parents and College Administrators



**Situation:** Mid 1990's education credit markets lacked competing and diversified product suite, as well as consultative services

**Outcome:** EFS created 7 new products to address multiple audiences, automated delivery and provided access to credit experts

**Result:** Became the 5<sup>th</sup> largest education credit lender in the US with \$1.8 billion in annual loan originations, \$125M in revenue and over \$5 billion in assets



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## Case Study – Advanced Imaging Technologies

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Re-Start

Industry: Medical Imaging

Client: Doctors, Administrators and women

### Importance of Vision, Message and Image

Before

After

## Sources and References

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- McKinsey Quarterly
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- Federal Reserve Beige book
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- Startupventure.com – sample presentations